

SALES TRANSACTIONS FOR TRANSFER OF COMMODITIES

ABSTRACT OF THE DISCLOSURE

A method for transacting transfers of commodities includes setting a first price for
5 a first quantity of a commodity based on an average price observed during a period of
time and either a premium or discount to the average price. A second price is set for a
second quantity of a commodity based on a price determined at a future date. The second
price does not exceed a maximum price in the event a premium applies to the first
quantity, or a minimum price in the event a discount applies to the first quantity. The first
10 quantity and the second quantity are delivered from a seller to a buyer, and the seller is
paid a sum based on the first price, the premium or discount, as applicable, and the
second price.